Educate. Advocate. Empower.

April 22, 2015

Jason Nieman 1700 Windycrest Drive Springfield, IL 62704

PERSONAL AND CONFIDENTIAL

RE:

Separation from Illinois Municipal League Risk Management Association

Dear Jason:

As we discussed today, the Illinois Municipal League Risk Management Association ("IMLRMA") has experienced year-over-year cost challenges, including declining membership. As part of its effort to address these challenges, the IMLRMA Operations Committee has authorized and implemented a cost savings program, including elimination of positions, freezing salaries, reducing salaries, and reducing fees paid to vendors. Indeed, although I am staying on as IMLRMA's Managing Director, I will no longer be paid a salary for my work.

Your position is being eliminated effective this date. Under the cost savings program, you are eligible to receive separation pay based on continuous service. Provided you execute, do not revoke, and comply with the attached Confidential Separation and General Release Agreement (the "Agreement"), you will receive gross separation pay (less statutory deductions) in the amount of which is equal to salary at your current salary (equivalent to

Regardless of whether you sign the Agreement, we will mail your final paycheck, less statutory deductions, on or before the next scheduled pay period. The check will include (1) all accrued but unused vacation time, (2) one day's pay for each two days of accumulated unused sick days, and (3) additional compensation through April 30, 2015.

Please note that your medical benefits (health, dental and vision) will cease at midnight on April 30, 2015. If you choose to elect COBRA, you will not have an interruption of your insurance coverage. You will receive information regarding your rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 under separate cover.

Thank you for your service and dedication to the IMLRMA. While we ask that you do not return to the office after today, please do not hesitate to call me if you have any questions or concerns.

Sincerely

Larry Frang

Managing Director

Illinois Municipal League Risk Management Association

## SCHEDULE A (to Confidential Separation and General Release Agreement)

Decisional Unit:

The "Decisional Unit" from which Employees were selected for this separation program consisted of all IMLRMA employees.

**Eligibility Factors:** 

All employees in the Decisional Unit were eligible for selection in this separation program. To be selected for the offer of the severance benefits provided under this Program, individuals must have been selected for involuntary termination solely as a result of the separation program. All other employees, specifically including any employee who voluntarily quits, resigns, or is involuntarily terminated for any reason other than the reduction-in-force (even if previously selected), are not eligible for the offer of separation benefits. Additionally, employees who are selected for involuntary termination but are successfully redeployed elsewhere within IMLRMA are not eligible. Employees selected for the program were selected as part of a comprehensive cost reduction within IMLRMA, including by freezing salaries, reducing costs to thirdparties, eliminating positions and consolidating claims management responsibilities and support under the Managing Director.

Time Limits:

To participate in the program and receive severance pay, employees selected for the separation program must execute the Confidential Separation and General Release Agreement ("Agreement") within forty-five (45) days after receipt of the documentation. After execution of the Agreement employees have seven (7) days to revoke it.

Decisional Unit Data:

Below are two schedules listing the job titles and ages of all individuals in the Decisional Unit, as defined above, who were and were not selected under the program for separation from employment at this time and offered severance benefits in exchange for signing the Agreement.

The job titles and ages of all individuals in the Decisional Unit who were selected for separation under the separation program are:

Job Title	Age
Claims and Litigation Manager	•

Job Title	Age
Risk Manager	<b>S</b>

The job titles and ages of all individuals in the Decisional Unit who were not selected for separation under the separation program are:

Job Title	Age
Managing Director	
Assistant Managing Director	
Membership Specialist (2)	40000
Loss Control Specialist (2)	
Accountant	
Administrative Assistant	

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